

Changes in Medicare Reimbursement for a Typical Taxol Administration¹

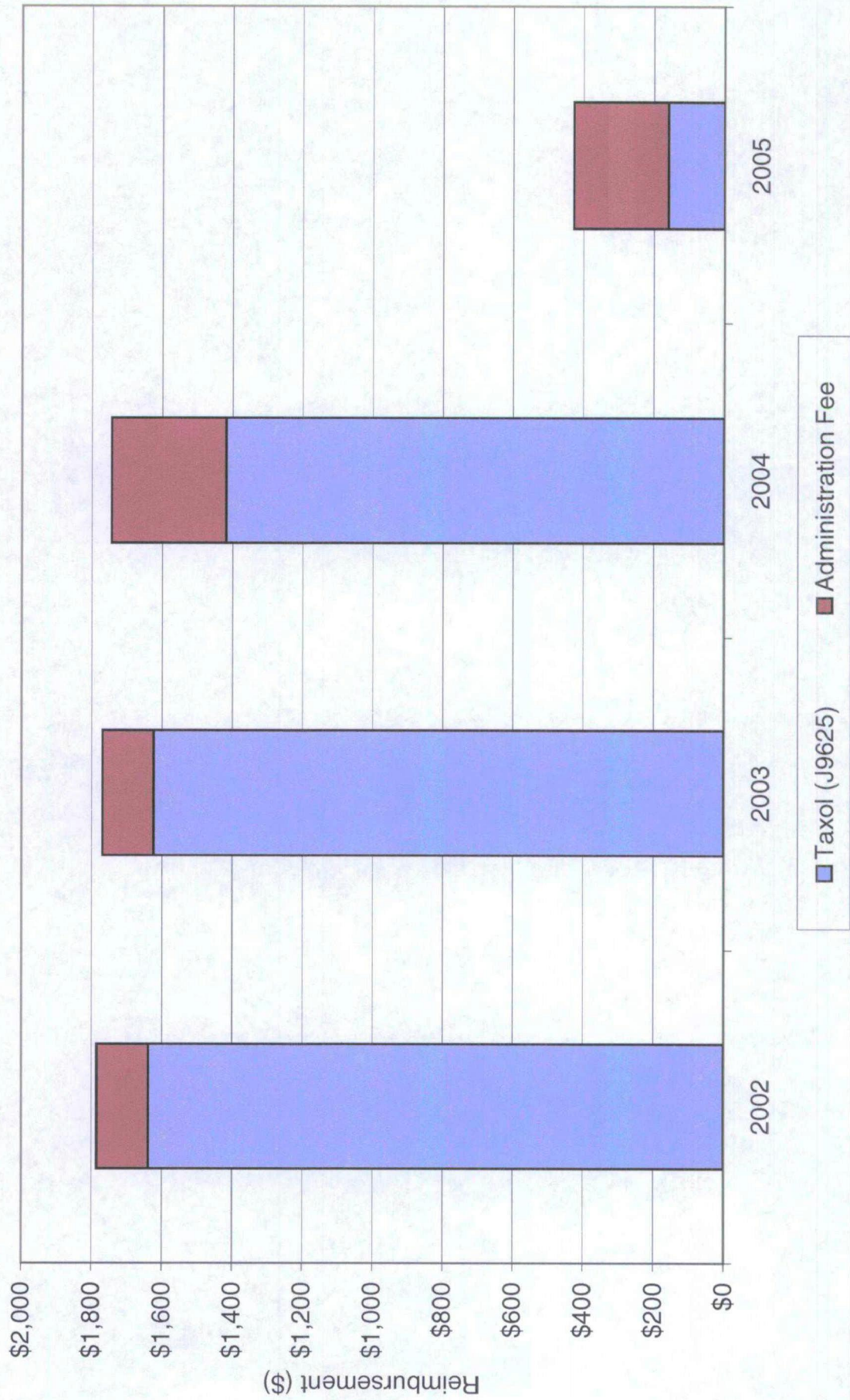
Year	Medicare Reimbursement Method	Administration Fees ²				J-9265 (based on 10 fundamental billing units)	Administration Fees (based on 1 unit of 96410 and 2 units of 96412)	Total Reimbursement	Change in Reimbursement from Previous Year
		BMS AWP	Medicare-based AWP	Reimbursement for J-9265 (includes copay amount)	Medicare Reimbursement for Code = 96410 (G0359 for 2005) ³	Medicare Reimbursement for Code = 96412 (G0360 for 2005) ⁴			
2002	95% AWP	\$182.63	\$172.51	\$163.88	\$58.61	\$43.85	\$146.31	\$1,785.16	
2003	95% AWP	\$182.63	\$170.92	\$162.37	\$58.61	\$43.85	\$146.31	\$1,770.05	-\$15.11
2004	81% AWP	\$182.63	\$174.95	\$141.71	\$226.08	\$50.56	\$327.20	\$1,744.30	-\$25.75
2005	1.06 ASP		\$174.95	\$15.85	\$185.31	\$42.13	\$269.57	\$428.07	-\$1,316.23

Notes

1. Assumes treatment for breast cancer at 297.5 mg for a 3 hour treatment (see Statement of Frederick M. Schnell, Testimony Before the Subcommittee on Health of the House Committee on Ways and Means, July 13, 2006, Exhibit B). Note the fundamental billing unit for Taxol (paclitaxel) is 30 mg.
2. Based on reimbursement amounts provided in Haegle Direct Testimony, pp. 24-25.
3. Code 96410 is for chemotherapy administration, infusion, first hour.
4. Code 96412 is for chemotherapy administration, infusion, additional 1 hour.



Medicare Reimbursement for Taxol and Administration Fees



Changes in Medicare Reimbursement for a Typical Remicade Administration¹

Year	Medicare Reimbursement Method	Administration Fees ²					Reimbursement Based on 30 Fundamental Billing Units	Administration Fees (based on 1 unit of 90780 and 1 unit of 90781)	Total Reimbursement from Previous Year	Change in Reimbursement
		Medicare-based AWP	Medicare Reimbursement for J1745 (includes copay amount)	Medicare Reimbursement for Code = 90780 (G0347 for 2005) ³	Medicare Reimbursement for Code = 90781 (G0348 for 2005) ⁴	Medicare Reimbursement for Code = 90781				
2002	95% AWP	\$69.16	\$65.70	\$42.72	\$21.37	\$21.37	\$1,971.06	\$64.09	\$2,035.15	
2003	95% AWP	\$69.16	\$65.70	\$42.72	\$21.37	\$21.37	\$1,971.06	\$64.09	\$2,035.15	\$0.00
2004	85% AWP	\$69.16	\$58.79	\$122.65	\$34.29	\$34.29	\$1,763.58	\$156.94	\$1,920.52	-\$114.63
2005	1.06 ASP		\$53.09	\$82.79	\$27.60	\$27.60	\$1,592.70	\$110.39	\$1,703.09	-\$217.43

Notes

1. "An average adult patient will require between 20 and 40 units per treatment (i.e., 2 to 4 vials)." Source: Remicade Billing Guide, p.11. Calculations assume typical administration is 30 units and 2 hours. Average time from "Medication Guide Remicade" accessed at remicade.com.
2. Based on reimbursement amounts provided in Haegle Direct Testimony, pp. 24-25.
3. Code 90780 is for infusion up to 1 hour.
4. Code 90781 is for each additional hour, up to 8 hours.



Medicare Reimbursement for Remicade and Administration Fees

